

APPENDIX B

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Information Requested of Competitive Local Carriers

To be filed with the California Public Utilities Commission, 505 Van Ness Avenue, Room 3251, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

1. Exact legal name and U # of reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (e.g., corporation, partnership, sole proprietorship, etc.).
If incorporated, specify:
 - a. Date of filing articles of incorporation with the Secretary of State.
 - b. State in which incorporated.
6. Commission decision number granting operating authority and the date of that decision.
7. Date operations were begun.
8. Description of other business activities in which the utility is engaged.
9. A list of all affiliated companies and their relationship to the utility. State if affiliate is:
 - a. Regulated public utility.
 - b. Publicly held corporation.
10. Balance sheet as of December 31st of the year for which information is submitted.
11. Income statement for California operations for the calendar year for which information is submitted.

(END OF APPENDIX B)

APPENDIX C
Outstanding CLC Deficiencies of Petitioners

GENERAL ISSUES THAT ALL PETITIONERS MUST CORRECT:

The California Public Utilities Commission's addresses must be complete. They must show branch and room number.

COMPANIES:

ADNET Telemanagement, Inc., AddTel, Communications, Inc., Fibernet, Inc., Genesis Communications International, Inc., National Comtel Network, Inc., Preferred Long Distance, Inc.

The section reserved for Switched Access must be properly indexed.

Bakersfield Cellular Telephone Company, Cellular 2000, Mammoth Cellular Corporation, SLO Cellular, Inc., The Telephone Connection of Los Angeles, and Napa Valley Telcom Services dba Ameritel, Unitel Communications, Inc.

"Notice by Customer" rules must be modified to allow a customer to provide notice to the utility via the telephone.

Define local area. Referencing exchange boundary maps in not an adequate definition.

CLC tariff should not reference a prior Commission Decision or P.U. Code section without describing its contents completely. This applies to rules for Non-Published Service, Privacy, and Change of Service Provider.

Rename "D.E.A.F. Surcharge" to "California Relay Service and Communications Devices Fund".

Business Discount Plan, Inc. dba L.D. Discount Plan, Long Distance Charges Inc., Tele-Matic Corp.

CLC tariffs should include a detailed service description and limitations of each service.

If the CLCs offer residential access line service, the tariffs must contain ULTS tariffs.

In the "Disputed Bill" section of the CLC tariff, customers are limited incorrectly on when complaints may be filed. PU Code Section 735 allows a customer 2 years to file a complaint protesting a bill. For discriminatory rates, a customer has 3 years to file a complaint.

If a CLC charges for non-published service, the specific charge must be stated in its tariffs.

Liability of CLC rule is not correctly contained in tariffs. Rule should be revised to mirror Pacific's or GTEC's Limit of Liability rule as required in D.95-12-057.

Service Interruption Credits should be modified to mirror Pacific's or GTEC's tariff sections.

CLC tariffs must state the address of the company's office within California where its tariff is available and open to public inspection.

Cable & Wireless, Inc.

CLC tariff should not reference a prior Commission Decision or P.U. Code section without describing its contents completely. This applies to the rules for Discontinuance of Service, Privacy, and Blocking Access to 900 and 976 Information Services.

Revise amortization request section to allow for request to be made at CWI's California office.

Specify charge for Non-Published Service or remove the vague statement that CWI may charge for this service.

Disconnection charges are not allowed for customers on a month to month basis.

CalTech International Telecom Corporation

Revise Limitations of Liability Rule to concur in either Pacific Bell's or GTE California, Inc.'s tariff as specified in D.95-12-057.

State local calling area in tariffs, not just in the petition.

Rule 15 must be modified to state specific charges a customer must pay for modifications to originally ordered service.

Define Holidays in Rule 1 Definitions.

Define Non-Published Service.

Provide information on Change of Service Provider in accordance with Rule 11 of Appendix B in D.95-07-054.

Provide information on CLC Information and Initiation of Service as specified in Rule 1 and 2 of Appendix B of D.95-07-054.

CLC tariff should not reference a prior Commission Decision or P.U. Code section without describing its contents completely. This applies to the rule for Privacy.

Please remove the CalTech Carrier Services section entirely or properly reserve it for future use.

Rename "Communications Devices Fund for the Deaf and Disabled" to "California Relay Service and Communications Devices Fund".

Dial & Save of California, Inc.

Define local area. If concurring in another company's tariff please provide the exact tariff cite.

Revise Service Territory map to include only the exchanges for Pacific Bell and GTE California, Inc.

CLC tariff should not reference a prior Commission Decision, P.U. Code sections, or another company's tariff without describing its contents completely. This applies to rule for Privacy, Change of Service Provider, Limitations of Liability and Discontinuance and Restoration of Service.

Disputed Bill rule must be revised to fully comply with Rule 8 of Appendix B of D.95-07-054.

Rename "D.E.A.F. Surcharge" to "California Relay Service and Communications Devices Fund"

Advance Payments must be credited on a customer's first bill.

Define the type of notice that negates the customer receiving interest due on a deposit after 12 months.

Establishment and Re-establishment of Credit and Disputed Bill rules must be revised to fully comply with Rules 4 and 8 of Appendix B of D.95-07-054.

Describe how the company intends to administer the Deaf and Disabled program per D.95-12-057.

Dial & Save's ULTS tariff must be part of its Local Exchange tariff Schedule Cal. P.U.C. No. 1 and not a separate attachment.

Fully define Demarcation tariff. If concurring in another company's tariff, please provide the exact tariff cite.

CLC tariffs must state the address of the company's office within California where its tariff are available and open to public inspection.

GTE Mobilnet of California, Inc.

Rename "D.E.A.F. Surcharge" to "California Relay Service and Communications Devices Fund".

Please clarify the difference between Deposits and Advance Payments by creating a separate tariff section for Advance Payments.

CLC tariff should not reference a prior Commission Decision, P.U. Code sections, or another company's tariff without describing its contents completely. This applies to rule for Privacy, CLC Information, and Change of Service Providers.

State charge for unblocking 900/976 Blocking,.

LCI International Telecom Corp.

Define Non-published service.

In addition to sample forms, provide a tariff section stating the Special Information Required on Forms as specified in Rule 3 of Appendix B of D.95-07-054.

Index tariff properly. Verify that footnotes correctly reference intended sections.

Define visit charges in the 56 Kbps switched service section.

Modify the Limitations of Liability reference in the 56 Kbps switched service section to refer to the Limit of Liability for LCI's Local Access Services tariff.

LD Services, Inc.

Discontinuance of Service rule must be revised to fully comply with Rule 10 of Appendix B of D.95-07-054. Customers must be given 7 days prior notice in writing of cancellation of service. Customers may cancel service verbally or in writing.

Liability of CLC rule must be revised to mirror to Pacific's or GTEC's Limit of Liability rule as required in D.95-12-057

References to either LEC's demarcation tariff must include complete tariff citation.

ULTS tariffs must be contained in the Local Exchange section of the company's tariffs.

CLC tariff should not reference a prior Commission Decision, P.U. Code sections, or another company's tariff without describing its contents completely. This applies to rules for Privacy and Change of Service Provider.

CLC tariffs must describe the manner in which the CLC will comply with Deaf and Disabled Program requirements ordered in D.95-12-057.

NucomNet

CLC tariff should not reference a prior Commission Decision, P.U. Code sections, or another company's tariff without describing its contents completely. This applies to rule for Privacy.

In the "Back Billing" section of the CLC tariff, customers are limited incorrectly on when complaints may be filed. PU Code Section 735 allows a customer 2 years to file a complaint protesting a bill. For discriminatory rates, a customer has 3 years to file a complaint.

U.S. Long Distance, Inc.

Revise Service Territory map to include only the exchanges for Pacific Bell and GTE California, Inc.

Define local exchanges. If concurring in Pacific Bell's and GTE California, Inc.'s tariffs, please provide the exact tariff cite.

Define local calling area. If concurring in another company's local calling area, please provide the exact tariff cite.

Special Information Required on Forms rule must be revised to fully comply with Rule 3 of Appendix B of D.95-07-054.

CLC tariff should not reference a prior Commission Decision, P.U. Code sections, or another company's tariff without describing its contents completely. This applies to rules for Privacy, Limitations of Liability, and Change of Service Provider.

CLC tariffs must describe the manner in which the CLC will comply with Deaf and Disabled Program requirements ordered in D.95-12-057.

Rules in the CLC's tariffs regarding Disputed Bills and Discontinuance of Service do not comply with Rules 8 and 10 of Appendix B of D.95-07-054.

State charge for unblocking 900/976 Blocking.

Universal Pacific Communications, Inc.

Certification is pending submittal and approval of appropriate financial information.

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Annotated Changes to Proposed Rules in April 27, 1995 Order

9. **JOINT LEC/CLC PROVISIONING OF
SWITCHED CARRIER ACCESS SERVICES**

CLCs and LECs shall establish **THROUGH MUTUAL AGREEMENT** meet-point billing arrangements to enable CLCs to provide Switched Access Services to third parties via LEC access tandems, in accordance with the Meet-Point Billing and Provisioning Guidelines adopted by the Ordering and Billing Forum, subject to the following requirements:

A. CLC and LEC shall arrange for CLC to subtend the LEC access tandem which the LEC's own end offices that serve the same NXX Service Area subtend for the provision of Switched Access Services.

B. ~~At CLC's election~~ **SUBJECT TO MUTUAL AGREEMENT**, the meet-point connection for the tandem subtending arrangement shall be established at the CLC's NXX Rating Point, at a collocation facility maintained by the CLC (or the CLC's chosen transport vendor) at the LEC access tandem, or at any point mutually agreed to by CLC and LEC.

C. Common channel signaling shall be utilized in conjunction with meet-point billing arrangements to the extent available.

D. CLC and LEC shall maintain provisions in their respective ~~Federal and State access tariffs~~ **OR CONCUR IN ANOTHER LEC'S OR CLC'S EXISTING STATE ACCESS TARIFF** sufficient to reflect this meet-point billing arrangement and meet-point billing percentages.

E. CLC and LEC shall exchange all call detail records associated with switched access traffic provided via the meet-point billing arrangement in a timely fashion, as necessary to accurately and reliably rate and bill third parties for such traffic. ~~LECs shall produce carrier access bills for the CLCs' meet-point traffic, using the single bill format, unless the LEC has been specifically authorized by the FCC to employ the multiple bill method.~~

10. **INFORMATION SERVICES**

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A. Whenever a LEC operates an information services platform (e.g., 976 service) over which information services are delivered to its own end users located within an area also served by one or more CLCs, the LEC shall purchase originating access service and billing and collection service from each CLC in the area. Such access, billing and collection service shall be identical to the access, billing and collection services the CLC provides to interexchange carriers for the delivery of calls to interexchange carriers' 900 information service platforms. IF CLC INTERCONNECTION IS PROVIDED OTHER THAN OVER ONE-WAY TRUNKS CAPABLE OF PASSING THE CALLER'S ANI, THE CLC SHALL PROVIDE THE LEC WITH A COMPLETE CALL RECORD OF ALL CALLS ORIGINATING ON THE CLC'S NETWORK AND DIRECTED TO THE LEC'S INFORMATION SERVICE PLATFORM.

B. To the extent a CLC offers an information service platform over which information service providers may offer information services, the LEC shall offer, and the CLC shall purchase arrangements analogous to those described in (a) above.

C. If a CLC provides access to an information services platform (e.g., 976 and 900 services), the CLC must conform to the rules in D.91-03-021 as identified for interexchange carriers.

11. ADDITIONAL INTERCOMPANY ARRANGEMENTS

A. LECs shall put into place ~~an~~ AUTOMATED ON-LINE service ordering and implementation scheduling system for use by CLCs ~~which is equivalent to that used by the LECs and their affiliates. Data pertaining to service and facility availability shall be made available to CLCs in the same manner as it is provided to the LECs.~~ In addition to the GO 133(b) requirement to report held orders for end user service, LECs shall separately report MONTHLY TO CACD ON held orders related to orders placed by CLCs.

B. LECs and CLCs shall provide each other with both answer and disconnect supervision to allow for proper billing of customer calls, as well as all available call detail information necessary to allow both LECs and CLCs to bill their customers properly.

C. ~~LECs shall be required to enter into mutual billing~~ Billing and collection SHALL BE ACCOMPLISHED BY MUTUAL agreements ~~so that each telecommunications service provider can accept another service provider's telephone line number and other~~

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~~non-proprietary calling cards and can bill collect on third party calls to a number served by another provider~~ ON AN INTERIM BASIS, PENDING FURTHER COMMISSION ACTION FOLLOWING A WORKSHOP.

AGREEMENTS SHALL ENABLE each telecommunications service provider TO accept another service provider's telephone line number and other non-proprietary calling cards and TO bill collect on third party calls to a number served by another provider. ~~Access to databases:~~

~~(1) CLCs shall compensate the LECs for their cost of including the CLCs' customers in the directory assistance database and for any other related maintenance cost of directory assistance database in the provisioning of 411 services for the CLCs.~~

D. Access to databases:

(1) THROUGH MUTUAL AGREEMENT CLCs shall compensate the LECs for their cost of including the CLCs' customers in the directory assistance database and for any other related maintenance cost of directory assistance database in the provisioning of 411 services for the CLCs. QUERIES TO THE 411 DATA BASE SHALL BE CHARGED AT THE APPLICABLE TARIFF RATE.

~~(2) CLCs shall have access to 911/E911 and 611 connectivity provided by the LEC under the same terms and conditions enjoyed by the LEC. CLCs shall compensate the LECs for the LECs' cost of providing access to 911/E911 and 611 connectivity and for any other related maintenance cost of the 911/E911 and 611 databases.~~

(3) CLCs shall be provided access to ~~all LEC service databases~~ DATABASE services, e.g. 800, DATA BASE SERVICE AND Line Information Data Base (LIDB), ~~and Advanced Intelligent Network (AIN) SERVICE.~~ CLCs access to and use of such databases shall be through signaling interconnection, with functionality and quality equal to that received by LECs and their affiliates at nondiscriminatory tariffed rate.

E. LECs AND CLCS shall make available access to all signaling protocols and all elements of signaling protocols used in the routing of local and interexchange traffic, including

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signaling protocols used in the query of call processing databases, and shall make available all signaling resources and information necessary for the routing of local and interexchange traffic.- ~~LECs shall be prohibited from interfering in the transmission of signaling information between customers and interconnected carriers, and may not claim proprietary right to signaling protocols or elements of signaling protocols~~ALL SUCH SIGNALLING PROTOCOLS, ELEMENTS, RESOURCES, AND INFORMATION SHALL BE PROVIDED BY LECS IN A MANNER EQUIVALENT TO THEIR PROVISION TO THEMSELES AND TO OTHER LECS.

— ~~FLECs AND CLCS shall be prohibited from interfering in the transmission of signaling information between customers and interconnected carriers, and may not claim proprietary right to signaling protocols or elements of signaling protocols.~~

~~LECs shall be required to enter into agreements with CLCs for the interoperability of operator services between networks, including but not limited to the ability of operators on each network to perform such operator functions as reverse billing, line verification, and call interruptF.~~

~~-LECS AND CLCS shall be required to offer access to LEC-provided operator services~~enter into MUTUAL agreements for CLCs at nondiscriminatory rates~~the interoperability of operator services between networks, including but not limited to the ability of operators on each network to perform such operator functions as reverse billing, line verification, and call interrupt.~~

G. LECs and CLCs shall develop mutually agreeable and reciprocal arrangements for the protection of their respective customer proprietary network information.

H. With respect to the publishing of telephone directories, the following provisions shall apply to LECs:

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- (1) ~~LECs shall provide nondiscriminatory access to~~ ~~the~~ ~~AND CLCS THAT PROVIDE LOCAL TELEPHONE SERVICE SHALL, access on the same terms and conditions and price available to the competitive businesses of the LECs or their affiliates) to LEC subscriber information associated with publishing and telephone directories~~ ~~UPON REQUEST, PROVIDE SUBSCRIBER LIST INFORMATION GATHERED IN THEIR CAPACITY AS PROVIDERS OF SUCH SERVICE IN A TIMELY MANNER AND ON AN UNBUNDLED BASIS, UNDER NONDISCRIMINATORY AND REASONABLE RATES, TERMS, AND CONDITIONS, TO ANY PERSON FOR THE PURPOSE OF PUBLISHING DIRECTORIES IN ANY FORMAT, subject to the requirements of PU Code §§ 2891 and 2891.1.~~
- (2) LECs shall include CLCs' customers' telephone numbers in their "White Pages" and directory listings associated with the areas in which the CLC provides local exchange telecommunications services to its customers, except for CLC customers who desire not to have their telephone numbers appear in such listings and databases, at ~~no charge~~ ~~NONDISCRIMINATORY TARIFF RATES~~ charged to the CLC or its customer.
- (3) For any listing beyond a basic listing in the "White Pages," ~~CLC~~ ~~CLCS OR THEIR~~ customers must pay ~~at~~ ~~THE~~ nondiscriminatory TARIFF rates established by the LEC or its affiliate.
- (4) Each CLC shall provide the LEC with its ~~directory listings~~ ~~REQUEST FOR WHITE PAGES AND DIRECTORY ASSISTANCE~~ and updates to those listings in a format required by the LEC, which format shall be provided to the CLC by the LEC on a magnetic tape or computer disc OR OTHER MUTUALLY AGGREABLE TRANSMISSION MEDIUM.
- (5) ~~CLC customers shall have the right to be listed and purchase advertising in the LEC's "Yellow Pages" under the same terms and conditions as~~ ~~UNTIL FURTHER COMMISSION RESOLUTION, LECs AND CLCS MAY DEVELOP MUTUALLY AGGREABLE ARRANGEMENTS TO distribute the LEC's customers' local "White" and "Yellow Pages" directories to all CLC customers in a given service area.~~

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- (6) LECs shall ~~distribute the local "White" and "Yellow Pages" directories to all~~ include in the section of the "White Pages" that precedes customer listings, information concerning each CLC customers in a given on the same basis that it includes the information for itself or its LEC affiliates offering local-exchange telecommunications service in the geographic area at no charge covered by the relevant "White Pages".

~~(7)~~

~~LECs shall include in the section of the "White Pages" that precedes customer listings, information concerning each CLC on the same basis that it includes the information for itself or its LEC affiliates offering local-exchange telecommunications service in the geographic area covered by the relevant "White Pages" at the rates established in D.94-09-065~~ CLCS SHALL HAVE THE DISCRETION TO DETERMINE DIRECTORIES IN WHICH THEY WISH TO BE LISTED.

ON AN INTERIM BASIS, CLCS SHALL BE CHARGED THE rates established in D.94-09-065.

~~LECs shall allow CLCs to connect to the LEC 911 tandems, routers, and other switching points serving the areas which CLCs provide local exchange telecommunications services, for the provision of 911 and E911 services and for access to all sustaining Public Safety Answering Points~~

12.

NONDISCRIMINATORY ACCESS TO RIGHTS OF WAY

LECs AND CLCS MAY MUTUALLY NEGOTIATE ACCESS TO AND CHARGES FOR RIGHTS OF WAY, CONDUITS, POLE ATTACHEMENTS, AND BUILDING ENTRANCE FACILITIES ON A NONDISCRIMINATORY BASIS.

(END OF APPENDIX D)

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**Initial Rules for Local Exchange Service
Competition in California**

[Note: Items in Boldface type are amendments to the rules issued in D.95-12-056, Appendix C.]

1. **PUBLIC POLICY PRINCIPLES AND OBJECTIVES**

A. It is the policy of the California Public Utilities Commission (Commission) that competition in the provision of local exchange telecommunications services is in the public interest.

B. It is the policy of the Commission that, in an environment of competition for local exchange telecommunications services, telecommunications users shall receive ongoing disclosure of the rates, terms and conditions of service from telecommunications providers and shall benefit from a clear and comprehensive set of consumer protection rules.

C. It is the policy of the Commission that interconnection of the networks of Competitive Local Carriers (CLCs) and Local Exchange Carriers (LECs) should be accomplished in a technically and economically efficient manner.

D. It is the policy of the Commission that all telecommunications providers shall be subject to appropriate regulation designed to safeguard against anticompetitive conduct.

E. It is the policy of the Commission that service provider local number portability should be accomplished.

F. It is the policy of the Commission that networks of dominant providers of local exchange telecommunications services should be unbundled in such a manner that a carrier is provided access to essential facilities on a nondiscriminatory standalone basis.

G. It is the policy of the Commission that customer privacy rights and concerns be protected in an environment of local exchange competition.

H. It is the policy of the Commission to ensure that local exchange competition does not degrade the reliability of the telecommunications network.

I. It is the policy of the Commission to encourage intercarrier coordination and cooperation.

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J. It is the policy of the Commission to monitor, on a periodic basis, the market conditions of the local exchange telecommunications market and reevaluate its policies on local exchange competition accordingly.

K. It is the policy of this Commission that Commission-approved tariffs for call termination should reflect costs.

2. SCOPE OF RULES

These interim rules apply to the provision of local exchange telecommunications services by CLCs, and where applicable, LECs. LEC as used in these rules refers to only Pacific Bell and GTE California, until further action by the Commission.

3. DEFINITIONS

A. CLC means a common carrier that is issued a Certificate of Public Convenience and Necessity effective on or after January 1, 1996, to provide local exchange telecommunications service for a geographic area specified by such carrier.

B. LEC means any incumbent carrier listed in Appendix C attached hereto.

C. Minor rate increases are those which are both less than 1% of the CLC's total California intrastate revenues and less than 5% of the affected service's rates. Increases shall be cumulative, such that if the sum of the proposed rate increase and rate increases that took effect during the preceding 12-month period for any service exceeds either parameter above, then the filing shall be treated as a major increase.

D. Major rate increases are increases which are greater than the increases described above.

E. Network component means a functional capability of a network, disaggregated from other network capabilities and made available to other carriers and end users separately from all other network capabilities.

F. Nondominant interexchange carrier (NDIEC) means an interexchange carrier that is considered nondominant under the Commission's decisions.

G. NXX Rating Point means the end office/wire center location designated in the Local Exchange Routing Guide as the assignment point for an NPA-NXX code.

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H. NXX Service Area means the geographically-bounded area designated as the area within which a LEC or CLC may provide local exchange telecommunication services bearing a particular NPA-NXX designation.

I. Local telephone number portability means the ability of end users to retain their existing telephone numbers when remaining at a location, or changing their location within the geographic area served by the initial carrier's serving central office, regardless of the LEC or CLC selected.

J. Local exchange loop facility (also known as a basic level network access channel) means a transmission path capable of delivering analog voice grade signals or digital signals at less than 1.544 Mbps between the network interface at a customer's premises and the main distribution frame or any other point of interconnection to the LEC network.

K. A port (also known as a basic level network access channel connection) is the interface between the loop and the appropriate LEC Central Office switching equipment.

L. Nonfacilities-based CLCs are those which do not directly own, control, operate, or manage conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances in connection with or to facilitate communications within the local exchange portion of the public switched network.

M. Facilities-based CLCs are those which directly own, control, operate, or manage conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances in connection with or to facilitate communications within the local exchange portion of the public switched network.

N. Service territory means the area in which a CLC is authorized to provide service.

O. An intercompany interconnection service order is a request for interconnection of trunks and/or facilities between CLCs and/or LECs.

P. Warm-line refers to residential customer access to E-911 service after disconnection for nonpayment and for newly installed lines.

4. ENTRY, CERTIFICATION, AND REGULATION OF CLCs

A. The Commission shall grant a Certificate of Public Convenience and Necessity (CPCN) to any applicant that possesses the requisite managerial qualifications, financial resources, and technical competence to provide local exchange telecommunications services.

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B. The Commission shall apply the following financial standards to the certification of CLCs:

- (1) All new applicants seeking CPCNs for authority to become facilities-based CLCs, as defined in this decision, shall demonstrate in their applications that they possess a minimum of \$100,000 of cash or cash equivalent as defined below, reasonably liquid and readily available to meet the firm's start-up expenses. Such applicants shall also document any deposits required by local exchange companies or interexchange carriers (IECs) and demonstrate that they have additional resources to cover all such deposits.
- (2) All new applicants seeking CPCNs for authority to become nonfacilities-based CLCs, as defined in these rules, shall demonstrate in their applications that they possess a minimum of \$25,000 of cash or cash equivalent as defined below, reasonably liquid and readily available to meet the new firm's expenses. Such applicants shall also document any deposits required by LECs or IECs and demonstrate that they have additional resources to cover all such deposits.
- (3) Applicants for CPCNs as CLCs who have profitable interstate operations may meet the minimum financial requirement by submitting an audited balance sheet and income statement demonstrating sufficient cash flow, as authorized in Decision (D.) 91-10-041 for NDIECs.
- (4) New applicants for CPCNs as CLCs shall be permitted to use any of the following financial instruments to satisfy the applicable unencumbered cash requirements established by this order.
 - (a) Cash or cash equivalent, including cashier's check, sight draft, performance bond proceeds, or traveler's checks;
 - (b) Certificate of deposit or other liquid deposit, with a reputable bank or other financial institution;
 - © Preferred stock proceeds or other corporate shareholder equity, provided that use is restricted to maintenance of working capital for a period of at least twelve (12) months beyond certification of the applicant by the Commission;

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- (d) Letter of credit, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
 - (e) Line of credit or other loan, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
 - (f) Loan, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
 - (g) Guarantee, issued by a corporation, copartnership, or other person or association, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
 - (h) Guarantee, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond the certification of the applicant by the Commission.
- (5) The definitions of certain of the financial instruments listed in 4.B (4) and our intent on nondiscriminatory application of these definitions are clarified as follows:
- (a) All unencumbered instruments listed in 4.a. through 4.h. above will be subject to verification and review by the Commission prior to and for a period of twelve (12) months beyond certification of the applicant by the Commission. Failure to comply with this requirement will void applicant's certification or result in such other action as the Commission deems in the public interest, including assessment of reasonable penalties. (See PU Code §§ 581 and 2112.)

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- (b) Applicants for CPCNs as nonfacilities-based CLCs shall assure that every issuer of a letter of credit, line of credit, or guarantee to applicant will remain prepared to furnish such reports to applicant for tendering to the Commission at such time and in such form as the Commission may reasonably require to verify or confirm the financial responsibility of applicant for a period of at least twelve (12) months after certification of the applicant by the Commission.
- © All information furnished to the Commission for purposes of compliance with this requirement will be available for public inspection or made public, except in cases where a showing is made of a compelling need to protect it as private or proprietary information.

C. The Commission shall apply the following other standards to its regulation of CLCs:

- (1) Applicants which currently hold CPCNs as telecommunications providers should apply as prescribed herein to have their current authority expanded to include operating as a CLC.
- (2) Applicants will be required to comply with CEQA as specified in Rule 17.1 of the Commission's Rules of Practice and Procedure
- (3) If a CLC is 90 or more days late in filing the annual report required by General Order (GO) 104-A or in remitting any current or future Commission-mandated surcharge, including but not limited to Universal Lifeline Telephone Service Fund (Public Utilities (PU) Code § 879), DEAF Trust Fund (PU Code § 2881(d), the California High Cost Fund (PU Code § 739.3), or the user fees on intrastate revenues (PU Code §§ 431-435), the Commission Advisory and Compliance Division (CACD) shall prepare a resolution for the Commission's consideration revoking the CLC's CPCN, unless the CLC has received written permission from the CACD to file or remit late.

D. The CACD shall on or before January 1, 1997, and at least one time each year thereafter, prepare a list of all current CLCs in good standing operating in California, including addresses, phone numbers, and the name of the responsible contact

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person at each such utility, and then disseminate that list to all other telecommunications utilities including the local exchange companies and IECs and will provide the list at the Commission's standard per page charge to any other interested party having requested such list.

E. CLCs shall be subject to the following tariff and contract filing, revision and service pricing standards:

- (1) Uniform rate reductions for existing tariff services shall become effective on five (5) working days' notice to the Commission. Customer notification is not required for rate decreases.
- (2) Uniform major rate increases for existing tariff services shall become effective on thirty (30) days' notice to the Commission, and shall require bill inserts, or a message on the bill itself, or first class mail notice to customers at least 30 days in advance of the pending rate increase.
- (3) Uniform minor rate increases shall become effective on not less than five (5) working days' notice to the Commission. Customer notification is not required for such minor rate increases.
- (4) Advice letter filings for new services and for all other types of tariff revisions, except changes in text not affecting rates or relocations of text in the tariff schedules, shall become effective on forty (40) days' notice to the Commission.
- (5) Advice letter filings revising the text or location of text material which do not result in an increase in any rate or charge shall become effective on not less than five (5) days' notice to the Commission.
- (6) Contracts shall be subject to GO 96-A rules for NDIECs, except interconnection contracts.
- (7) CLCs shall file tariffs in accordance with PU Code Section 876.

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F. The following regulations shall apply to CLCs:

- (1) CLCs shall be required to serve customers requesting service within their designated service territory on a nondiscriminatory basis, but shall not be required to have the same service territory as LEC service territories;
- (2) Facilities-based CLCs shall at a minimum serve all customers who request service and whose premises are within 300 feet of the CLC's transmission facilities used to provide service so long as the CLC can reasonably obtain access to the point of demarcation on the customer's premises, but the CLC shall not be required to build out facilities beyond such 300 feet.
- (3) CLCs shall file service territory maps with the Commission that detail the area in which the CLC is authorized to provide service.
- (4) CLCs shall file quarterly a written description or a map that describes its existing physical facilities.
- (5) For any interexchange carrier which subscribes to a CLC's switched access services, the CLC is required to provide 1+ presubscription or 10XXX equal access consistent with the equal access rules of this Commission and of the Federal Communications Commission.
- (6) Facilities-based CLCs are required to make all telecommunications service offerings available for resale, only within the same class of service, on a nondiscriminatory basis.
- (7) CLCs shall be subject to the obligations of public utilities under the PU Code including but not limited to, §§ 451 and 453, dealing with the provision of just and reasonable rates and charges;
- (8) CLCs must obtain Commission approval before discontinuing service in any part of their service area.
- (9) CLCs shall provide E-911 service.

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- (10) To ensure that qualified customers are provided with telecommunication devices for the deaf (TDDs) or other telecommunication equipment under the Deaf and Disabled Telecommunications Program (DDTP) program:
 - (a) CLCs should contract with Pacific Bell, GTE of California, the California Telephone Association or Thomson Consulting to offer equipment and services to eligible deaf and disabled customers. These contracts should be interim pending the outcome of continued workshops to determine how CLCs should participate in the DDTP over the long term.
 - (b) CLCs shall specify in their tariffs how they will offer DDTP services.
- (11) CLCs shall respond promptly to their customer's 611 repair calls by either using their own service technicians or through contractual arrangements. The CLC shall disclose the procedure for ordering repair service at the time the customer initiates service as well as on the monthly customer bill.
 - (a) LECs shall institute a referral system to direct CLC customers who dial "611" to the appropriate CLC for service or to the Commission's Consumer Affairs Branch if the CLC's identity is unknown.
 - (b) CLCs shall institute a similar referral system to direct calls of other competitor's customers seeking repair service.
- (12) CLCs shall be subject to the consumer protection rules contained in Appendix B of D.95-07-054.
- (13) CLCs shall provide the following reports to the Commission:
 - (a) On a quarterly basis, a copy of all written notices provided to customers, in accordance with Rules 1, 2 and 6 of the consumer protection rules set forth in Appendix B;
 - (b) By April 1 of each year a copy of the CLC's annual report;
 - (c) On a monthly basis, reports regarding major service outages;

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- (d) Reports required in GO 133-B and GO 152-A;
and
 - (e) Such other reports required by the
Commission.
- (14) CLCs shall submit all mandated bill insert notices, including notices of basic universal service rate increases, to the Commission's Public Advisor's Office for review and approval, and shall allow the Public Advisor's Office at least five working days to review and approve the proposed bill inserts prior to their issuance to customers.
 - (15) CLCs shall deposit customer deposits in a protected, segregated, interest-bearing escrow account subject to Commission oversight.
 - (16) CLCs shall inform each new customer, in writing and in the language in which the sale was made, of the availability, terms, and statewide rates of Universal Lifeline Telephone Service and basic service. CLCs shall also provide bills, notices, and access to bilingual customer service representatives in the languages in which prior sales were made.
 - (17) Redlining is prohibited and the Commission shall take strong action against any carrier engaging in redlining.

5. REGULATION OF LECs

A. Incumbent LECs shall have provider of last resort responsibilities in their service areas until the Commission makes a decision on the issue in its Universal Service docket.

6. INTERIM NUMBER PORTABILITY

(The rules on Interim Number Portability (INP) will be issued concurrently with the Commission's decision adopting INP rates.)